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Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street, SW Washington, DC 20554 FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex Parte Presentation, CS Docket No. 98-120; MB 03-15; RM-10666

Dear Ms. Dortch:

The Association of Public Television Stations ("APTS") hereby notifies the Commission of the following ex parte meeting in the above captioned proceeding. On August 6, 2003, John Lawson, President and CEO, and Lonna Thompson, Vice President and General Counsel met with Daniel Gonzalez, Senior Legal Advisor to Commissioner Kevin Martin. The participants discussed Public Television's progress with the digital build-out and APTS' public positions taken concerning the importance of digital must-carry and digital translators. The enclosed attachments were provided during the meeting.

Sincerely,

Lonna Thompson

Vice President and General Counsel

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PUBLIC TELEVISION REALIZING THE PROMISE OF THE DIGITAL CONVERSION

The Association of Public Television Stations (APTS) is a nonprofit membership organization established in 1980 to support the continued growth and development of a strong and financially sound noncommercial television service for the American public. APTS works closely with individual stations to produce effective strategies that allow stations to fulfill their individual missions. As broadcasters make the transition to digital transmission, APTS is working to ensure the federal government continues its commitment to universal public television services.

THE DIGITAL CONVERSION

The federal government mandated that all public television stations complete their conversion to digital transmission by May 2003. To date, 173 out of 356 public television transmitters have begun broadcasting digital television along with their existing analog signals. With the total conversion cost for public television being estimated at \$1.7 billion, state governments and local communities have provided most of the \$771.4 million raised to date.

PUBLIC DIGITAL TELEVISION: A NEW GENERATION OF COMMUNITY SERVICES

Public broadcasters are excited by the capacity of digital television to provide a new generation of high-speed digital services to their communities. These include multicasting to improve education, providing rural broadband service, and datacasting for a new homeland security communications network.

Public Digital Television's Bandwidth for Education: Using digital technology, public television stations have committed the equivalent of one multicast digital channel – an average high-speed data rate of 4.5 megabits per second (Mbps) – for formal early childhood, K-12, and post-secondary education, as well as workforce training. By converting its current system of transmitters and translators to digital technology, public television can reach 99 percent of America's schools and homes to deliver data at rates 80 times faster than 56K dial-up modems and 15 times faster than DSL connections.

Public Digital Television's Rural Digital Technology Program: In many areas of the country, especially those that are geographically isolated, public television translators provide communities with their only source of free, over-the-air educational programming. 65 million Americans live in rural areas, including 27 percent of America's children. Over one-quarter of U.S. schools are located in rural areas. The conversion of public television's system of translators to digital will preserve free, over-the-air educational television to rural areas.

The Association of Public Television Stations

Giving Rural America Access to Broadband: Public television stations are committed to using the digital bandwidth to bring advanced telecommunications services, either internet, video, or audio, to rural areas at rates that far exceed what can be carried by an ordinary telephone voice circuit. While 32% of internet users in large metropolitan areas reported having access to broadband services, only 8% of residents in rural areas have broadband access. Once converted to digital, public television stations will be able to provide multiple streams of educational content simultaneously, along with data, which can be stored on servers and made available on demand. Stations will be able to deliver high speed (4.5 megabits/second, equivalent to 3 T-1 lines) to rural schools in Americaworth over \$588 million to schools.

Public Digital Television and Homeland Security: APTS has launched an initiative to develop a homeland security communications network where public television stations will form partnerships with local, state, regional and national public safety offices to "datacast" life-saving emergency information over the stations' digital broadcast spectrum to be received on computers and smart telecommunications devices. The alert system advocated by APTS would support public safety "first responders," and would be used to alert schools, offices, public facilities and homes of emergency evacuation orders in the case of a terrorist, biological or "dirty bomb" attack.

In keeping with our long-standing leadership in using new technologies for educational and public service purposes, the nation's public television stations stand ready to make an historic commitment to all Americans through the conversion to digital broadcasting.

CONTACTS

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The Real Locally Controlled Media

In the debate over media-ownership rules, both sides have said the goal is the preservation of local media and universal service. However, neither side gave much consideration to the last true bedrock of locally controlled free, over-the-air media: public broadcasting stations. Taking local public broadcasters for granted is unfortunate because, without some care, they could go away.

It's hard to get more "local" than public broadcasting. Our stations are operated by community foundations, state commissions, and colleges, universities and school districts. Our "business model" is about as grassroots as you can get: We *give away* our programming—advertising-free—and *then* ask people to help pay for it. We give real meaning to "free, over-the-air."

So, for the policymakers and interest groups still concerned about commercial-media concentration, we in public broadcasting have a modest request. We ask that you spend at least *some* of your energy and concern to ensure the survival and growth of locally controlled *public* media.

What we need from you is a well-defined and fairly limited set of policy changes. At the FCC, we need the agency to finally act on two cable carriage issues that have been

languishing for years. First, we need some sort of transitional carriage for our digital signals. The digital transition will never be completed without the government using its Supreme Court-sanctioned authority to act in this area.

Second, we need this commission to reverse the split decision of the Kennard commission on the issue of "primary video." Our stations have raised nearly \$1 billion for DTV conversion based on specific plans for multiple new digital services. These include public-affairs, kids, and



Public broadcasting's 'business model' is about as grassroots as you can get.

JOHN M. LAWSON Association of Public Television Stations educational programming and datacasting. The Kennard decision will define most of these services as "secondary" and, therefore, not worthy of cable carriage. This hostile policy will render much of our stations' digital facilities as "white elephants" on the media landscape.

Preserving local public broadcasting also requires Congress and the White House to realize that the digital transition did not end for public stations on May 1. Additional matching funds are needed to meet FCC requirements for simulcasting and signal replication and maximization. And, in a recent survey, our member stations indicated their highest priorities for FY 2004 funding were digital cameras and related studio upgrades.

From the public-interest community, we ask that some of your concern about preservation of local commercial media be channeled into the preservation of local non-commercial media. From some of these groups, public television has received just the opposite. Under Chairman Michael Powell, the FCC provided public broadcasters with the flexibility to use some of their non-broadcast digital capacity for services that could produce much-needed revenue. Rather than support this welcomed relief, some pub-

lic-interest groups actually challenged the decision in the U.S. Court of Appeals. Fortunately, the court upheld the FCC decision, but the groups are considering an appeal.

The bottom line for us: Public broadcasting *is* locally controlled media. Helping us furthers the professed goals of all parties in the mediaconsolidation debate. We hope those parties will look to public broadcasting as part of the solution.

Lawson is president and CEO of APTS.



Association of Public Television Stations

LOCAL SERVICE NATIONAL VOICE